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MEMORANDUM FOR: Deputy Director for Science and  
Technology

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SUBJECT: Terminal Contract for Project [REDACTED]

1. PURPOSE

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25X1A5a1 The purpose of this memorandum is to request establish-  
ment of a terminal contract for Project [REDACTED] at [REDACTED]

25X1A2d2 Such a contract would cover the period 1 July 1964 through  
4 September 1964 and cost approximately [REDACTED]. This  
contract would replace the OSI annual contract with Project  
[REDACTED] which was not renewed for FY 1965.

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2. OBJECTIVE

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Project [REDACTED] was established two years ago by OSI  
to perform technical analysis of intelligence data related  
to Soviet spacecraft in order to determine their design  
characteristics, performance, mission objectives and degree  
of success. As of 30 June 1964 when the FY 1964 contract  
period expired, approximately seven tasks of special  
interest to the sponsor were still incomplete. All of  
these tasks, however, can be completed and delivered to  
the sponsor within a 2-month period. Establishment of a  
2-month contract for Project [REDACTED] therefore, will  
allow OSI to salvage much of the project's analytical  
effort conducted in FY 1964 and permit a more orderly  
shut-down of the project.

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3. PRODUCTS

As mentioned above, there are seven tasks nearly  
completed. Each of these tasks will be concluded and  
delivered to the sponsor in either a final draft form  
or as a published Project [REDACTED] report.

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SUBJECT: Terminal Contracts for Project [REDACTED]

4. BUDGET DATA

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Funds in the amount of [REDACTED] have been provided for this contract in the OSI approved external research program for FY 1965. The contract will expire on 4 September 1964.

5. SECURITY

Agency association with this project will continue to be UNCLASSIFIED as in the past; however, the contractor will be advised to disclose Agency interest only if deemed necessary in the performance of the contract. The contractor is presently in possession of classified information at the TOP SECRET/SPECIAL INTELLIGENCE and SPECIAL PROJECTS levels, and the remaining reports resulting from this project will bear one or more of these classifications. TOP SECRET/SPECIAL INTELLIGENCE and SPECIAL PROJECTS clearances will continue to be necessary for contractor personnel in order to perform under this task until 4 September 1964 at which time these clearances will be terminated. The facility for storage and transmission of TOP SECRET/SPECIAL INTELLIGENCE and SPECIAL PROJECTS materials and a SPECIAL INTELLIGENCE/SPECIAL PROJECTS communications link are still required and are currently in use as approved by this Agency. However, in accordance with the action of termination of this contract, the TWX TOP SECRET SPECIAL INTELLIGENCE link will be discontinued and disconnected as of 31 August 1964 and the facility for the storage of SECRET/TOP SECRET/ and TOP SECRET/SPECIAL INTELLIGENCE and TOP SECRET/SPECIAL PROJECTS materials will be discontinued and terminated as of 4 September 1964. The coordination for security as concerns the deactivation of this project will be effected by the Security Officer/OSI with the Office of Security, Office of Logistics, Office of Communications, and the Special Intelligence Staff/DDI, to insure compliance with all pertinent Agency regulations as concerns the deactivation of Project [REDACTED]

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SUBJECT: Terminal Contract for Project [REDACTED]

6. SPECIAL PROBLEMS

No special problems are anticipated.

7. COMMITMENTS

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The contractor is aware of our intention to shut down Project [REDACTED] and is cooperating with sponsor personnel to achieve an orderly termination to Project activities. OSI requested and received a cost proposal for this 2-month contract which is compatible with the OSI External Research Program for FY 1965.

8. ACTION RECOMMENDED

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That the expenditure of [REDACTED] from vouchered funds be authorized for this Project. Funds in the amount of [REDACTED] are available from the FY 1965 operating budget for the Office of Scientific Intelligence.

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*for* DONALD F. CHAMBERLAIN  
Assistant Director  
Scientific Intelligence

Attachment:

2 cys. of contractor's proposal

Distribution:

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SI/BMSD: [REDACTED]:ras (6961 (7aug64)

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